

City Council

Special Meeting Minutes

**Tuesday, October 13, 2015
City Hall, Council Chambers
749 Main Street
7:00 PM**

Call to Order – Mayor Muckle called the meeting to order at 7:00 p.m.

Roll Call was taken and the following members were present:

City Council: *Mayor Robert Muckle, Mayor Pro Tem Hank Dalton.
Council members: Ashley Stolzmann, Susan Loo
Jay Keany, Chris Leh and Jeff Lipton*

Staff Present: *Malcolm Fleming, City Manager
Heather Balser, Deputy City Manager
Kurt Kowar, Public Works Director
Kevin Watson, Finance Director
Dave Hayes, Police Chief
Chris Neves, IT Director
Aaron DeJong, Economic Development Director
Troy Russ, Planning and Building Safety Director
Beth Barrett, Library & Museum Director
Kathleen Hix, Human Resources Director
Joe Stevens, Parks and Recreation Director
Meredyth Muth, Public Relations Manager
Carol Hanson, Deputy City Clerk*

PLEDGE OF ALLEGIANCE

All rose for the pledge of allegiance.

APPROVAL OF AGENDA

Mayor Muckle called for changes to the agenda and hearing none, moved to approve the agenda, seconded by Council member Loo. All were in favor.

APPROVAL OF THE CONSENT AGENDA

MOTION: Mayor Muckle moved to approve the consent agenda seconded by Council member Keany. All were in favor.

- A. Approval of Funding to Hire Executive Recruiting Firm for Planning And Building Safety Director Position***
- B. Approval of Intergovernmental Agreement for Potable Water Interconnect with Town of Superior***

**DISCUSSION/DIRECTION - CITY MANAGER'S
PROPOSED 2016 BUDGET
AND 2016 – 2020 CAPITAL IMPROVEMENTS PLAN (CIP)**

Mayor Muckle called for a staff presentation.

City Manager Fleming stated he had included, in the packet, staff responses to the issues Council raised during the previous meetings. He asked for some follow up direction for the public hearing next week to include the following items: Fiscal Policies (will also be addressed in the Finance Committee), key areas including the reserves in the Conservation Open Space and Parks Fund and additions to paving specifying any further funding scenarios Council would like to see. Background information was provided on a number of positions if Council would like to discuss those in more detail. The Rate Study, Neighborhood Plans and Alley Study information has been provided for discussion. The Street Faire proposed budget is a key area staff would like direction on.

COUNCIL COMMENT - PAVING

Mayor Muckle suggested beginning the discussion with street paving. He mentioned Council member Lipton had sent an email concerning paving and an effort to include more money spent on paving to raise the quality of the overall condition. Mayor Muckle was happy proposing spending more money on street paving to get more streets done sooner, but was not sure he wanted to spend a lot more money on paving by taking other high priority items out of the budget.

Council member Keany was in favor of investing more money than already budgeted and being more aggressive at least within a ten year period. He suggested delaying any recreation center improvements until the task force finished looking at it.

Mayor Muckle agreed, although he wanted assurance the recreation center would be okay in the meantime.

Council member Stolzmann favored Council member Lipton's suggestion to do more streets sooner. She referred to a previous comment concerning chip seal lasting ten years and felt every street should be repaired within a ten year period to keep them in

good condition. She didn't feel this could be accomplished without doing something as aggressive as Council member Lipton suggested in his email.

Council member Loo and Mayor Pro Tem Dalton agreed.

Council member Lipton thought the City was in the unfortunate position of having to catch up on paving. He noted Public Works Director Kowar's analysis was good, but did not find the neighborhood and collector streets' condition acceptable. He felt this was the year to fund heavily and proceed with an aggressive plan. He had proposed about \$700,000 in budget cuts of non-critical items to relieve the burden of cost. He wanted to make a statement with this budget that the paving was going to be hit hard. He suggested deferring some budget items to allow for the paving.

Council member Leh thanked Council member Lipton for his email. Overall, he thought Council member Lipton's suggestions were solid. Council member Leh wanted good roads in the City and noted there might be even more cuts to be found in the budget.

Mayor Muckle noted the amount spent on roads had been increasing for the last five years. Many of the roads are aging all at the same time. He did not see the urgency in fixing everything all at one time and continuing to have the same problem all the time. He asked Public Works Director Kowar if this amount of money would bend the curve on the paving and if it was true all of the roads would get 10 years life from the hot chip seal process.

Public Works Director Kowar noted chip seal could last 10-15 years, 10 years was conservative and it depends on the traffic on any particular street. A piece of the analysis concerning cost projection could be done in time and another piece is the roads in the middle with the lower scores which are in catch-up mode. He felt Council was heading in the direction of more road paving and he was getting his staff focused on ramping up the paving. Analysis of more specific road categories can be done over time with the transition to new software and converging with expectations. Staff can concentrate on a plan and analysis as the current construction season winds down. The 2016 bid package is about ready to go out for large arterial streets and a second bid package is likely for booster streets not already in the budget.

Council member Keany noted Council member Lipton is suggesting a \$500,000 increase in funding. Public Works Director Kowar's memo in the packet suggests a much larger number. He was in favor of shifting funds to add \$500,000 to the 2016 budget on top of what is already committed and then have a discussion early in 2017.

Council member Lipton stated his number was not based on any analysis. The number was \$500,000 and he now sees it will require much more to get the very worst roads up to satisfactory condition. His goal is to see the roads in better condition than poor, serious or failing. He realized the turnaround would not happen in one year but there was a need to carve out funds for 2016 to avoid a deeper hole in 2017, 2018 and 2019.

Council member Stolzmann felt Council should provide staff with the level of expectation and then ask the Public Works Director to determine the cost. She asked for clarification on the dollar amounts the previous council members spoke of. She felt Public Works Director Kowar was saying \$415,000 additional dollars were needed. Council member Keany responded, yes this was the figure for 2016, but he was also looking at the additional funds in water and sewer. Council member Stolzmann noted the water and sewer projects are incredibly large, with large dollar increases and those dollar amounts will not contribute significantly above that. She was not concerned about the dollars spent on water and sewer.

City Manager Fleming noted there would not have to be dramatic cuts in 2016 to meet the level of funding, but a problem could arise in 2017 and 2018 due to phasing of water and sewer funds and following up on work done previously.

Public Works Director Kowar emphasized the water and sewer replacement is the constraint. It is what is holding back the booster program on the streets. It is important to be aggressive on the water and sewer; the rate increases are primarily a function of increasing revenues to meet the debt service coverage requirements. There is a good reserve in the Utility Fund and this is a good use of it. Staying aggressive over the next three years in the utility and getting that part out of the way is important. Then when the paving funding is established, staff would be ready to go.

Council member Stolzmann would like to do more in 2016, but recognized not everything can be done now. It is not about a dollar amount, but about setting a goal and determining the cost. Multi-year budgeting may help in getting a better rate. She supported being aggressive in 2016 and developing a plan for out years to buckle down and budget for paving. This would include addressing streets not involved in the water/sewer replacement.

Council member Loo asked City Manager Fleming to clarify if there was not a problem to find the moneys in 2016 and what was the dollar figure. City Manager Fleming pointed to a table in the packet showing the additional funding needed to raise all streets above Overall Condition Index (OCI) 35 in five years. For 2016, the Capital Projects Fund would need to increase \$415,000, accomplished by either drawing down the fund reserves which still leaves \$1 million in reserves or as both he and Council member Lipton suggested, other cuts if Council wishes to keep the Capital Projects Fund reserves higher than the million dollars.

Mayor Pro Tem Dalton noted the Public Works bid process is changing and could result in a staff capacity issue. Road conditions as a goal needs to take place not in this budget but urgently addressed in 2016. This budget needs an added half million dollars as a down payment toward paving.

Mayor Muckle noted \$415,000 was determined as reasonable by Public Works for 2016.

Council member Lipton suggested a second booster program to get to collector and residential streets so as to take care of the damage needing immediate attention. He would like to see more than a half million dollars added for 2016.

Council member Stolzmann noted the \$415,000 suggested by Public Works was for the booster program. She agreed not letting streets fall into the poor categories and supported Council member Lipton's proposal for cuts from the current budget to add money for paving.

Mayor Muckle asked if staff would be ready to address the streets if money was budgeted. Public Works Director Kowar noted the short answer was yes, however, staff would need some time to put the plan together as there was no shortage of places to pave streets. Mayor Muckle wanted a rational plan laid out when determining the order of paving streets.

Council member Loo remarked it now looked like Council was looking at a million dollars for paving in 2016 and asked how to proceed to secure the million dollars.

PUBLIC COMMENTS

Michael Menaker, 1827 W. Choke Cherry Drive, Louisville, CO while generally in favor of Council member Lipton's suggestions and paving goals, asked Public Works Director Kowar to be cautious about over working staff to get this paving done. It is more than concrete and asphalt, it is also about people. He noted he had not heard many comments about roads during Council meetings, however, had heard many other things requested by residents.

COUNCIL COMMENT

Mayor Muckle noted there are many other things to provide and was reluctant to put aside things such as the Downtown Neighborhood Plan to pave streets.

Council member Lipton said there is risk in being the first one to suggest cuts in favor of other projects such as the paving. He was flexible about the list he had provided and noted City Manager Fleming had ideas for cuts as well.

Mayor Muckle asked staff to come back with a list of items to take out of the 2016 budget to provide another million dollars for paving.

Council member Loo asked if the staff recommendations were for 2016. Mayor Muckle replied, yes, one million dollars for 2016, then 2017 would be a better year to achieve the objective by spending time really looking at the paving issue.

Council member Loo wanted to give staff an idea of Council's general direction as what to cut from the 2016 budget.

City Manager Fleming suggested staff come back with \$1.5 million of identified possibilities for cuts so Council would then have the opportunity to select from those suggestions.

Council member Keany supported \$500,000 in 2016, \$1 million in 2017 and 2018 and 1.5 million dollars in 2019 and 2020 as a starting point.

Mayor Pro Tem Dalton thought one million dollars in 2016 was the right number.

Mayor Muckle polled the Council and determined there was support for one million dollars of additional funding for paving in 2016.

City Manager Fleming noted in the longer term, looking at streets, there would be bid information by December which will give better information on how current costs are trending. Based on current information, an inventory of streets can be put together to show the overall condition index for each segment to allow Council to determine where the funds should be applied and show value over time.

Public Works Director Kowar did not want to forget about the water and sewer. He was hearing "stay on track and get that out of the way", but wanted to confirm Council's direction.

Mayor Muckle confirmed stay on track and get it out of the way. Council member Lipton did not want to increase water rates any further, but was okay with the projects if it could be done with current revenues.

Mayor Muckle noted if the water lines are not replaced downtown, the streets will not be done either.

Council member Stolzmann stated the water rates are going up. She encouraged staff to use Council member Lipton's email as a starting point for cuts. She felt downtown parking is being addressed. She did have a lot of citizens asking for street repair and was proud to try to find budget dollars for paving the streets.

Council member Lipton asked staff to re-prioritize current revenue before raising water rates to pave streets.

Council member Stolzmann noted the water rates were going up to replace water lines.

City Manager Fleming said because of the wastewater treatment plant project and drawing funds from the combined utility fund, the City is required to keep certain

balances in those funds. Staff has identified projects critical for upkeep of the water and sewer system and over the last year an effort has been made to phase in the rate increases as slowly as possible. The fund reserves are just above the fund balances needed to meet the obligation for the loan repayment. He noted a chart was included in the packet showing, based on the current estimates and projections, what would have to be added to the water and sewer funds each year to replace downtown waterlines before ability to pave those streets; break even in 2016, 1.8 to 1.9 million dollars in 2017, \$2.4 million in 2018. This would result in rate increases. Staff needs to know which is Council priority – keeping rates low or paving the streets in the timeframe proposed.

Mayor Muckle didn't think anyone was excited about raising rates, but wanted to fix water lines in the downtown area and move forward with paving those streets.

Council member Loo questioned the CIP for the Sid Copeland water treatment pump station improvements, a \$2.4 million expenditure in 2016. She asked if the Water Committee took a good look at this. The CIP sheet mentions the interconnect with Superior, which she thought was a good idea, but thought the consensus was not to go forward without a definite monetary commitment from Superior.

Public Works Director Kowar noted this project is upgrading or replacing the existing pump station at the north water treatment plant and is not related to the interconnect.

Council member Loo asked why the CIP item mentioned the interconnect with Superior.

Public Works Director Kowar noted staff aims to take care of existing facilities before expansion. The second part is having an insurance policy by establishing the interconnect with the Town of Superior for future peak demand.

Council member Stolzmann suggested updating the language on the CIP sheet.

Council member Loo agreed, noting the sheet clearly refers to the interconnect with the Town of Superior.

Mayor Muckle agreed the update to the pump station shouldn't have been lumped together with the interconnect.

Mayor Muckle asked staff to come back with budget cut suggestions in excess of one million dollars to address the paving.

Mayor Muckle suggested talking about the Street Faire and asked for a staff presentation.

Street Faire

Economic Development Direction DeJong reported Jim Tienken and Mayor Pro Tem Dalton have been working on discussion points for a proposal for the City and the Downtown Business Association (DBA) to work on the Street Faire for 2016 and beyond.

Street Faire in the 2016 proposed budget – Current proposed 2016 budget includes \$25,000 to match a similar amount from the DBA for flowers and lights. Discussions with the DBA on the financial structure and costs for 2016 have resulted in the following proposed outline:

- Flowers and Holiday Lights become sole City responsibility. Cost \$50,000 total with \$25,000 for flowers and \$25,000 for lights. City to take over these operations, likely contractual, not City staff.
- Street Faire (SF) Concept:
 - The new SF concept is a 50/50 split of all SF expenses. This will include splitting the cost of a new paid SF Coordinator.
 - A Committee composed of DBA and City representatives will share the SF financials and make necessary decisions concerning the Faire – 2015 revenue including beer sales, sponsorships, fees and annual membership fees for the DBA and the \$20,000 City contribution; total revenues \$409,000; costs \$379,000; for a net positive of \$30,000.
 - If after the season, the SF is revenue negative, the City will absorb any losses.
 - If after the season, the SF is net revenue positive, the net will be split between the City and the DBA on a basis yet to be determined, with the understanding that the DBA needs capital going into the first six months or so of the year to pay band deposits and related expenses .
 - The City and DBA will work together to hire someone for the position of SF coordinator/director/supervisor, possibly using the City's request for proposals process.
 - DBA to retain artistic autonomy concerning musical palette, genre, band size and budget. Number of concerts still under discussion.
 - DBA to maintain creative control over marketing materials.
 - Based on previous performance of nine evenings/bands, staff projects the City's net cost will be in the \$110,000 range assuming a 50/50 split of net revenue.

Mayor Pro Tem Dalton noted the Street Faire made enough money to make back the costs plus the \$50,000 the lights and flowers. All revenues go to pay expenses and any surplus would be divided on some formula between the City and the DBA. The City would pick up expenses if greater.

COUNCIL COMMENT

Council member Stolzmann spoke about sole sourcing and following purchasing policies such as RFP for posters, etc. If the DBA wants to still put on the Street Faire and ask for a City contribution, she felt okay. If the City is a partner she felt obligated to do requests for proposal and give people an opportunity to bid. The share back piece should be after lights and flowers.

Jim Tienken, 404 W. Spruce Lane, Louisville, CO noted he was here as president of the DBA. There could be a long discussion about lights and flowers being provided by the City since the DBA has provided them in the past. DBA is a small group of dedicated volunteers and need a way to partner with the City for the Street Faire to continue. DBA sources of income come from primarily the Street Faire and then from membership dues, which are voluntary. 2015 showed about \$7,000 for dues. \$25,000 for lights and flowers will require dipping into savings and will significantly reduce DBA reserves. 2015 Street Faire had no weather impacts to revenue. Fixed costs per Street Faire night are around \$24,000 before paying a band or selling a beer. 2015 numbers were outside the norm in terms of revenue. The DBA can't continue to do the flowers or lights. 2015 the DBA will provide the holiday lights. DBA proposes the City take over the flowers and lights. He noted the DBA has great contractors for both.

Council member Lipton expressed his appreciation for the great program the DBA has provided over the years. He asked if this is a financially sustainable program or if there is Street Faire fatigue.

Mr. Tienken noted the DBA viewed the Street Faire as steps above other concerts in the area due to the national touring acts brought in. The large bands could be reduced and still be above other surrounding community concert venues. Street Faire has become more and more work and money. Volunteers give the time they can and two of those key volunteers cannot continue. The expertise those volunteers brought will be hard to replace.

Council member Lipton asked if the Street Faire was expanding, stable or in decline. Mr. Tienken thought it stable in revenue growth. Council member Lipton asked if the revenue line included the sales tax. Mr. Tienken noted the DBA pays sales tax to the City as expense. Economic Director DeJong noted the reported \$19,000 sales tax is for all entities not just the City.

Council member Lipton asked about reduction of nights reducing revenue. Fixed costs might remain the same even with reduced nights.

Mr. Tienken noted some costs might remain the same, however, there are also some costs reduced with a reduction in nights.

Mayor Muckle thanked Mr. Tienken. Mr. Tienken in turn thanked Council for looking at this proposal to continue this very important event within the City.

Mayor Muckle called for public comment.

PUBLIC COMMENT

Gail Wetrogan, 930 McKinley Avenue, Louisville, CO noted the people who live nearby pay the price of inconvenience and having their peace disturbed.

Michael Menaker, 1827 W. Choke Cherry Drive, Louisville, CO noted many Council members volunteer for the Street Faire. He saw the City approaching the Street Faire as a problem to be managed rather than an opportunity to be nurtured. Tonight he saw an effort to turn that around and he was supportive. Improvements in security and offsite parking were real benefits and reduced the impact on the neighborhoods. Given the chances of a rain-out, he urged the City to move forward with nine nights.

Mayor Muckle spoke to Ms. Wetrogan's comment. He noted the City is grappling with the impact on the neighborhood and trying to mitigate those impacts.

COUNCIL COMMENT

Council member Leh thanked Mr. Tienken and all the volunteers who have provided such a great program over the years. He asked about the proposal and the mention of the DBA retaining artistic autonomy for bands and the number of concerts. Mr. Tienken noted the number of concerts is still under discussion. Council member Leh stated, number of concerts set aside, a concern he heard expressed was what sort of event the Street Faire will be in the future. He noted the emphasis on bigger, better bands had garnered criticism because of the impact on the City.

Mr. Tienken did not see any appetite on the DBA's part to continue the very popular bands; that strains the system and process, increases impacts on the neighborhood and stretches the budget. There are nuances and complexities to planning the bands and the days they play.

Council member Leh wondered if artistic autonomy changes if the City partners. Mr. Tienken noted the City could have input, but he did not want to see any dictates about which bands perform.

Council member Keany echoed the thanks to the DBA and remembered when the Street Faire consisted of a flatbed trailer in front of the old library. He didn't want to detract from the popularity of the big bands but noted there are complaints from the downtown residents during those large gatherings. He noted a certain number of blocks downtown will always be impacted and the work to reduce that impact should continue.

Mayor Muckle was comfortable with the DBA continuing to pick the bands.

Council member Loo asked if the Street Faire was trademarked. Mr. Tienken answered it was. Council member Loo noted Street Faire as a brand was successful and if the City wants to partner, resist the temptation to micro-manage. If it can't continue to be done correctly and well, don't do it at all.

Council member Lipton agreed with Council member Loo; Street Faire has a unique brand and energy and must continue to be done well. He suggested earmarking \$130,000 in the budget for 2016 for Street Faire.

Mr. Tienken noted one of the assumptions of previous numbers, the \$20,000 received from the City was included, so would make the number closer to \$150,000. The cost of a staff person is unknown. DBA does not want to book bands appearing all across the metro area. Street Faire was begun to get people to come downtown and not as a profit generating idea. As businesses grew downtown, so did the revenue and effort needed to provide the Street Faire, lights and flowers.

Council member Stolzmann wanted more detail and formalized presentation when special events are discussed at the next Council meeting. She wondered if flowers could perhaps be done internally. She liked the lights but thought the purchasing policy should be followed. She did not see the dollar figure Council member Lipton had mentioned.

Mayor Muckle asked staff to come back with numbers and details for a partnership with the DBA and producing the Street Faire.

Economic Director Dejong said the proposal would be \$50,000 for flowers and lights in 2016, a difference of \$30,000 from the 2015 budget and an additional \$100,000 for the partnership of the Street Faire for 2016. More information will be available at the next meeting.

Fiscal Policies

Mayor Muckle inquired if Council was comfortable with the discussion on the Fiscal Policy coming back after Finance Committee

Council member Loo stated her understanding there would be payment of monies from other funds to the Combined Utility Fund for the water Parks and Recreation uses. City Manager Fleming remarked that was correct, the percentage has been ramped up in the proposed budget for 2016 to 75%.

Fund Balances

Mayor Muckle noted Council member Lipton had expressed a desire for the reserves to grow to above 20% and felt the graph in the packet showed for the next couple of years this was true.

Council member Keany asked for Council member Lipton to comment on the percentage.

City Manager Fleming noted the graph being considered shows the percentage of what has been reflected in the General Fund forecast. Projected reserve at the end of 2016 is 31.4% and at the end of 2020 back to 22% and goes as high as 33% in 2017 in terms of operational expenditures the reserve represents.

Council member Lipton asked if this was dependent on how much was spent in the Capital Fund.

City Manager Fleming noted this is the General Fund, but could depend somewhat on transfers to the Open Space and Parks Fund and to the Capital Projects Fund if necessary.

Mayor Muckle noted the graph might bend down by transfers from this fund to Capital Projects based on the earlier conversation about streets.

Council member Lipton appreciated the scale showing increased percentage. Trying to reconcile what he saw before and now. He was hoping to get to 23%-25% in reserves in future years.

Mayor Muckle supported growing reserves, was not sure he could support growing beyond 20% next year, but could depend on projects such as the paving.

Mayor Muckle suggested moving on to discussing the reserves in the Open Space & Parks Fund and whether to withhold money out of the Open Space & Parks Fund and put it in the General Fund giving more flexibility. He was not in favor of doing so.

Council member Stolzmann was under the impression the decision had been made to take the City Manager's recommendation until meetings in December when this will be redone.

Mayor Muckle asked if Council agreed to include this in the fiscal policy discussion in December. Council concurred.

Weed Control

Mayor Muckle noted staff had a new recommendation to contract weed control.

Council member Stolzmann wondered if this was just the Weed Coordinator revisited and what level of weed control could be expected next year with the budget proposal.

Parks and Recreation Director Stevens reported the goal was to have more of an immediate impact. More mowing and taking care of weed infestation in open areas. Existing staff will map where there are successes for future management.

Council member Stolzmann asked if this only affected one of the three proposed positions.

City Manager Fleming replied, yes, the proposed Weed Coordinator position and duties will be changed to contract funding. Controlled burns will still be studied.

Open Space Ranger

Mayor Muckle supported the Open Space Ranger as a year round, fulltime position.

Council member Loo was supportive with caveats; wasn't thrilled to have the open space ranger at activities not considered open space activities. She had heard from citizens and also believed the educational pieces were not as important as actually having the ranger in the open space, writing tickets and patrolling.

Council member Stolzmann supported the full time position with similar concerns expressed by Council member Loo. She discussed what a ranger should be doing; addressing maintenance, vandalism, weeds, dog issues, warnings, and ability for proactive enforcement role when appropriate.

Mayor Muckle agreed with what had been said, but also supported some of the educational pieces for the position.

Council member Leh supported the Open Space Ranger as a fulltime position. A member of the public had asked what training the ranger had in wildlife control and other things they might face.

Parks and Recreation Director Stevens noted the job description would address some of the training required. This year, training had been provided by the City's Police Department on approaching non-cooperative persons.

Council member Keany suggested if the Ranger was at the Street Faire or other events, they could man a booth telling about open space rules and regulations. He preferred the Ranger be on the trails and in the open space enforcing the rules and educating the people there.

Parks and Recreation Director Stevens addressed having the Ranger attend special events. Modifications to the role at Street Faire were made about half way through the summer and more adjustments can be made if Council approves the position.

Mayor Muckle would like to see funding available for education and training for the Ranger.

Parks and Recreation Director Stevens reported there had been job shadowing in neighboring communities with similar positions. The Open Space Advisory Board (OSAB) has championed an outreach and education piece for the Ranger.

Council member Stolzmann was concerned about the continuing discussion of the ranger providing education in the schools when three Council members had stated they wanted the ranger to be actively engaged in maintenance, enforcement and education through talking to people on the trails.

Mayor Muckle felt everyone supported a clearer role on enforcement, but had not heard objection to his assertion there was still value in the educational part of the job.

Council member Stolzmann felt the Ranger would be educating by being in the field and there is plenty for the Ranger to do in the field.

Council member Leh asked if Council member Stolzmann didn't want the Ranger going to any schools. Council member Stolzmann thought it was okay on occasion, but working in the field should be the main focus.

Parks and Recreation Director Stevens noted the education is only one element of the job.

Council member Loo thought this was a message to staff to note educational items should be just a small part; clarify the Ranger should perform Ranger duties.

Mayor Muckle clarified the Ranger could be on the ground most of the time and be creative about including educational and other activities.

Council member Lipton noted this was the first year. The Ranger was riding trails a lot of the time and the educational piece is a part of the job. He trusted staff to take the suggestions and make the right adjustments

City Manager Intern

Mayor Muckle supported the intern position; there will be benefit in terms of communication.

Council member Loo felt too much time would be spent getting this intern up to speed about City government.

Council member Keany was willing to support the position for one year.

Council member Stolzmann suggested Council address items of highest concern, since staff may remove many items from the budget to meet Council's direction to cut budget items to fund paving projects. She supported asking the City Manager to specifically consider the \$725,000 worth of budget cuts suggested by Council member Lipton's memo.

Mayor Muckle asked the City Manager to come back with the suggested budget cuts at the next meeting.

Mayor Muckle called for public comment.

PUBLIC COMMENT

Mike Frontzac, 643 Fairfield Lane, Louisville, CO said he had come in contact with the Open Space Ranger and wanted to see the Ranger in a Code Enforcement Uniform to be more identifiable. He liked the idea of the Open Space Ranger and felt he was doing a good job but wondered what the training was.

Mayor Muckle noted the Ranger was in uniform later in the season.

Mr. Frontzac expressed disappointment in hearing Planning and Building Safety Director Russ was leaving the employ of the City.

COUNCIL COMMENT ON BUDGET ITEMS

Council member Lipton asked Council member Stolzmann to comment on the Utility Rate Study. Since she was on the committee reviewing rates, he wanted her view if recalibrating or validating the models was something needing to be done this year; or could the models settle in for a year and do some validation later.

Council member Stolzmann noted Public Works Director Kowar made a good argument concerning the variability in the projects done, the water usage and system development fees. His narrative convinced her of the value to understand how much of an increase will be needed and on what schedule.

Council member Lipton suggested with the Planning and Building Safety Director leaving perhaps some of the planning items could be delayed until a new Director is appointed.

Council member Lipton asked about a graph from the September 21, 2015 comparing General Fund recurring operational revenue with recurring operational expenditures resulting in an annual operating surplus/(deficit). He noted operating expenses exceed operating revenues in the near future. He wondered if this should impact the thinking on operating budgets for 2016 and beyond. How large do we want to expand government programs for the long term.

Mayor Muckle noted the curve has looked like this for several years due to the conservative estimates on revenue in future years and expenses not being precise.

City Manager Fleming agreed it was based on a conservative view. It is important to see and keep in mind when looking at building related revenues, to not become dependent on one-time revenues. Finance Director Watson explained this graph was created when Council member Keany expressed concern the City was funding ongoing expenses with one-time revenues. Creating a definition of operational costs; recurring revenue and recurring expenses help to show how the fund balance reserves are being built with one-time revenues.

Council member Lipton was concerned the budget looked out of balance with this graph. It appears the 2016 budget is balanced with one-time revenues. He wanted to plan to talk about this in the longer term.

Mayor Muckle agreed this needed to be a topic of discussion since policy states the City does not fund operational expenses with one-time revenues.

Council member Stolzmann didn't feel the Parks operating expenditures were correctly captured and after the discussion in December, this problem may be made worse.

Finance Director Watson noted within the financial policies a balanced budget is defined and the intent is to have a structurally balanced budget. The time to have the conversation may be during the financial policy discussion.

Council member Loo asked about the proposed funding in 2017 of the Visitor Center and Historical Museum. With the escalating cost of doing business, she would like to start to have a serious conversation about the dollars spent on design. There is no reason to design if it is not going to be built. She suggested the citizens interested in this might look at raising funds. With the sun-setting of the Historic Preservation Fund, the Historical Commission and Historic Preservation Commission could do a letter of understanding to put the Museum in dedicated funding. She asked if the increased visits to the Museum were school children.

Library and Museum Director Barrett noted there were more school tours, but not a significant part of the increased numbers. Having the Museum open during the Friday nights of Art Walk and the added hours for the Museum both increased visits.

Council member Loo suggested looking at other ways to finance the visitor center and museum in 2017.

Council member Lipton remembered talking with Historical Commission concerning funding a modest design or concept plan to assist in raising funds.

Mayor Muckle noted to raise funding there has to be a project concept to describe.

Deputy City Manager Balser recollected two conversations; some initial work should be done to show a concept and some significant design to show what is proposed to be done and what real costs are likely to be incurred, whether for grant funding or a ballot issue.

Council member Lipton couldn't see spending \$227,000 dollars for a conceptual design and renderings.

Mayor Muckle made a pitch for the Downtown Neighborhood Plan. He had heard from many citizens in the past month. Council member Stolzmann asked what a neighborhood plan meant to him. Mayor Muckle said a public process so the neighbors could share their concerns for the neighborhood and then trying to address those concerns.

Council member Stolzmann thought that could be done, but her impression of a neighborhood plan was a process of one potential output being re-zoning of the area. She was supportive of a process to address neighborhood concerns and adding those to a capital project list but was not supportive of an in depth process where the downtown area was re-zoned to allow for high density development

Mayor Muckle felt the public process would not end up there. Not wanting to predict outcomes, he envisioned developing a pattern book to help to determine what happens with scraped buildings, etc.

Council member Keany heard at the Ward One meeting the downtown was being overbuilt. The neighborhood plan would allow citizens to plan what they would like to see in the future.

Planning and Building Safety Director Russ noted the neighborhood plan was a public outreach looking at infrastructure, housing issues, character issues, zoning, connection to trails and recommendations would come out of those interactions. Sequencing of the neighborhood plan was after the completion of the McCaslin small area plan.

Council member Loo noted Council member Lipton's memo suggested Council decide what resources should be focused on. She supported finding that focus.

PUBLIC COMMENT

Debbie Fahey, 1118 W. Enclave Circle, Louisville, CO supported focusing on priorities. She saw a lot of focus on downtown but would like some focus on Ward 2 and other areas.

COUNCIL COMMENT

Mayor Muckle asked for final comments.

Council member Stolzmann noted the departmental priorities list did not really reflect priorities as Council suggested earlier in the year. She didn't disagree with the projects listed, but disagreed to labeling them as priorities.

City Manager Fleming thanked Council for their direction and stated staff will work on a response.

Council member Lipton asked about grant funding.

Council member Keany noted Finance Committee discussed an incremental increase to grant funding each year as it has been stagnant for years.

Mayor Muckle noted Council member Stolzmann had asked to put all the things the City donates to together to be able to look at all of them at a glance. He supported a small increase to the amount given.

Council member Stolzmann felt it would be helpful to show the other non-profit contributions including the contribution proposed to go to the DBA, Chamber of Commerce, Via and Senior Meals program. When looking at the contributions as a whole, it would be easier to balance them out and determine if increases are appropriate.

Mayor Pro Tem Dalton endorsed that approach.

COUNCIL COMMENTS, COMMITTEE REPORTS AND IDENTIFICATION OF FUTURE AGENDA ITEMS

No items to report.

ADJOURNMENT

MOTION: Mayor Muckle moved to adjourn, seconded by Mayor Pro Tem Dalton. All were in favor. The meeting was adjourned at 10:03 p.m.

Robert P. Muckle, Mayor

Carol Hanson, Deputy City Clerk